

Prepared by Union Planters P. O. Box 23053 Jackson MS 39225
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LOAN NO. 4348314

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VA Form 88-6322 (Home Loan)
 Revised January 1974, Use Op-
 tional Section 1910, This 88,
 U.S.G. Acceptable to Federal
 National Mortgage Association.

MISSISSIPPI

DEED OF TRUST

**NOTICE: THIS LOAN IS NOT ASSUMABLE
 WITHOUT THE APPROVAL OF THE DEPART-
 MENT OF VETERANS AFFAIRS OR ITS
 AUTHORIZED AGENT.**

THIS DEED OF TRUST, made and entered into this 10th day of November, 1997, by and between
 Mary L. Hess

hereinafter called the Grantor; Bill R. McLaughlin & Anne B. Davenport
 hereinafter called the Trustee, and Union Planters National Bank
 a corporation organized and existing under the laws of the United States of America, having its
 principal office and post-office address at P. O. Box 2926, Memphis, TN 38101-2926

hereinafter called the Beneficiary:

WITNESSETH, That the Grantor, in consideration of the debt and trust hereinafter mentioned, and the sum of One
 Dollar (\$1.00) to the Grantor paid by the Trustee, the receipt whereof is hereby acknowledged, does by these presents
 grant, bargain, sell, convey, and warrant unto the Trustee, the following-described property, situated in the County of
 De Soto, State of Mississippi, to wit:

Lot 194, Section "E", KINGSTON WEST SUBDIVISION, in the
 City of Horn Lake, DeSoto County, Mississippi located in
 Section 28, Township 1 South, Range 8 West, as per plat
 recorded in Plat Book 55, Page 49 in the Chancery Clerk's
 office of DeSoto County, Mississippi.

*The funds derived from the indebtedness secured by this Deed of Trust have
 been entirely used to pay the seller all or a part of the purchase price of the above
 described property.*

together with all buildings and improvements thereon or that may hereafter be erected thereon and the hereditaments
 and appurtenances and all other rights thereunto belonging, or in anywise now or hereafter appertaining, and the
 reversion and reversions, remainder or remainders, rents, issues, and profits thereof, and all rights of homestead, and
 all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto
 the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty,
 and are a portion of the security of the indebtedness herein mentioned;

*The rider attached to this security instrument is incorporated into and shall amend
 this instrument as if the rider was a part of this instrument.*

*Should the Administrator of Veterans Affairs fail or refuse to issue its guaranty of
 the loan secured by this instrument under the provisions of the Servicemen's
 Readjustment Act of 1944, as amended, within sixty (60) days from the date this
 loan would normally become eligible for such warranty, the Mortgagee may, at its
 option, declare all sums secured hereby immediately due and payable.*

STATE MS.-DE SOTO CO.
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TO HAVE AND TO HOLD the same unto the Trustee and unto his successors and assigns, forever.

IN TRUST, HOWEVER, to secure to the Beneficiary named above, the payment of a certain promissory note of even date herewith in the principal sum of Seventy Four Thousand Nine Hundred Seventy Dollars and no/100 Dollars (\$ 74,970.00), with interest from date at the rate of Seven and Three / Fifths per centum (7.6000 %) per annum on the balance remaining from time to time unpaid; principal and interest being payable at the office of Union Planters National Bank in Memphis, TN, or at such other place as the holder may designate, in writing delivered or mailed to the Grantor, in monthly installments of Five Hundred Twenty Nine Dollars and 34/100 Dollars (\$ 529.34), commencing on the first day of January, 1998, and continuing on the first day of each month thereafter until principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of December, 2027.

The Grantor, in order more fully to protect the security of this Deed of Trust, does hereby covenant and agree as follows:

1. He will pay all and singular the principal and interest and other sums of money payable by virtue of the note secured hereby and of this lien, at the times and in the manner in said note and hereinafter provided. Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

2. Together with and in addition to the monthly payments of principal and interest payable under the terms of the note secured hereby, he will pay to the Beneficiary as trustee (under the terms of this trust as herein stated), on the first day of each month until the note is fully paid:

(a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable to renew the policies of fire and other hazard insurance on the premises covered by this Deed of Trust, plus taxes and assessments next due on these premises (all as estimated by the Beneficiary, and of which Grantor is notified) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes, and special assessments.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

(i) ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums;

(ii) interest on the note secured hereby; and

(iii) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Grantor prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. At Beneficiary's option, Grantor will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

3. If the total of the payments made by the Grantor under (a) of paragraph 2 preceding shall exceed the amount of payments actually made by the Beneficiary as trustee for ground rents, taxes, or assessments, or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the Grantor for such items or, at Beneficiary's option as trustee, shall be refunded to Grantor. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, then the Grantor shall pay to the Beneficiary as trustee any amount necessary to make up the deficiency. Such payments shall be made within thirty (30) days after written notice from the Beneficiary stating the amount of the deficiency, which notice may be given by mail. If at any time the Grantor shall tender to the Beneficiary, in accordance with the provisions thereof, the full payment of the entire indebtedness represented thereby, the Beneficiary shall as trustee, in computing the amount of such indebtedness, credit to the account of the Grantor any credit balance remaining under the provisions of (a) of paragraph 2 hereof. If there shall be a default under any of the provisions of this Deed of Trust resulting in a public sale of the premises covered hereby or if the Beneficiary acquires the property otherwise after default, the Beneficiary shall apply, as trustee

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at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the amount then remaining to credit of Grantor under (a) of paragraph 2 preceding, as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid on the note secured hereby.

4. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.

5. He will pay all and singular the costs, charges and expenses, including reasonable attorney's fees incurred by Beneficiary because of the failure on the part of the Grantor to conform and comply with his obligations and duties under the term of the note secured hereby and of this Deed of Trust; and if such failure results in a sale under a foreclosure hereof, said fee shall be
Ten per centum (10.00 %) of the total indebtedness as of the date of sale.

6. Upon the request of the Beneficiary the Grantor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the Beneficiary for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

7. He will not commit, permit, or suffer waste, impairment, or deterioration of said property or any part thereof, and in the event of the failure of the Grantor to keep the buildings and other improvements now or hereafter on said premises in good repair, the Beneficiary may make such repairs as may reasonably be deemed necessary for the proper preservation thereof, and the sums so paid shall bear interest from date at the rate provided for in the principal indebtedness, shall be payable thirty (30) days after demand, and shall be fully secured by this Deed of Trust.

8. He will continuously maintain hazard insurance, of such type or types and amounts as Beneficiary may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made under (a) of paragraph 2 hereof, he will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the Beneficiary and the policies and renewals thereof shall be held by the Beneficiary and have attached thereto loss payable clauses in favor of and in form acceptable to the Beneficiary. In event of loss the Grantor will give immediate notice by mail to the Beneficiary, who may make proof of loss if not made promptly by the Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Beneficiary instead of to the Grantor and the Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by the Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this Deed of Trust, or other transfer of title to the said premises in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Grantor in and to any insurance policies then in force shall pass to the purchaser or grantee.

9. He will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, except when payment for all such items has theretofore been made under (a) of paragraph 2 hereof, and shall promptly deliver the official receipts therefor to the Beneficiary; and in default of such payment by the Grantor, the Beneficiary may pay the same, and any amount so paid by the Beneficiary shall then be added to the principal debt named herein and shall be secured hereby.

If the Grantor shall well and truly keep and perform all the covenants and agreements in this Deed of Trust, and in the note hereby secured and well and truly pay off and discharge the said note and other indebtedness secured hereby, then this conveyance shall be null and void, but otherwise shall remain in full force and effect and at the request of the Beneficiary, the said Trustee, or any successor appointed in his stead, shall sell the premises covered hereby at public auction for cash to the highest and best bidder, during legal hours, at any front door of the county courthouse of De Soto County, State of Mississippi, after giving notice, by advertising and posting as required by law, of the time, place, and terms of sale, and out of the proceeds arising from such sale, the said Trustee, or any successor, shall first pay all the costs and expenses of executing this Trust, including a reasonable compensation of said Trustee; next, said Trustee shall pay the balance of the indebtedness hereby secured then remaining unpaid; next, said Trustee shall reimburse the Department of Veterans Affairs for any sums paid by it on account of the guaranty or insurance of the indebtedness secured hereby; and lastly, any balance remaining in the hands of said Trustee shall be paid to the Grantor. The Beneficiary, or any subsequent holder of the note is hereby authorized and empowered to appoint and substitute another Trustee in the place of the Trustee named herein, at any time, by writing, duly signed and acknowledged and recorded in the county or counties where the premises covered hereby are situate, and such appointee shall have full power as the Trustee herein, together with all the rights and privileges thereunto belonging. If the holder of the note is a corporation, its president or any vice president may select and appoint such substituted Trustee. No one exercise of this power of appointment, power of sale, or any other power or right given in this Deed of Trust shall exhaust the right to exercise such power, but all rights and powers herein given may be exercised as often as may be necessary to achieve the perfect security and the collection of the indebtedness secured by this Deed of Trust until said indebtedness is fully paid and discharged. At any sale made to enforce the Trust herein given, the Beneficiary, or any person in interest, may become a purchaser, and upon payment of the purchase price, the Trustee shall execute a deed of conveyance, which conveyance shall vest full and perfect title in such purchaser upon payment of the purchase price.

The Grantor hereby assigns to the Beneficiary any and all rents on the premises covered hereby and authorizes the Beneficiary, by its agent, to take possession of said premises at any time there is any default in the payment of the

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debt hereby secured or in the performance of any obligation herein contained, and rent the same for the account of the Grantor, and to deduct from such rents all costs of collection and administration and to apply the remainder of the same on the debt hereby secured.

The Grantor further covenants and agrees that in case of a sale, as hereinabove provided, the Grantor or any person in possession under the Grantor, shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale, or be summarily dispossessed in accordance with the provisions of law applicable to tenants holding over.

If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders, and the term "Beneficiary" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

IN WITNESS WHEREOF, the Grantor(s) has hereunto set his/her hand(s) the day and year herein first written above.

Mary L. Hess
Mary L. Hess

STATE OF MISSISSIPPI,

DESOTO

County ss:

On this 10th day of November, 1997, personally appeared before me, the undersigned authority in and for said County and State, the within named Mary L. Hess

who acknowledged that he/she signed and delivered the foregoing instrument on the day and year therein mentioned.

Given under my hand and seal of office.

My commission expires:

(Seal)

MY COMMISSION EXPIRES SEPT. 7, 1999

Marilyn F. Crutch
Notary Public

AFTER RECORDING, MAIL TO:

MISSISSIPPI HOME CORPORATION
MORTGAGE ADDENDUM
FOR FHA INSURED LOAN ONLY

THIS TAX-EXEMPT FINANCING RIDER is made this 10th day of November 19 97, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, Deed to Secure the Debt or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note to UNION PLANTERS NATIONAL BANK ("Lender") of the same date and covering the property described in the Security Instrument and located at:

4205 Grace Boulevard, Horn Lake, Ms. 38637

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Lender, or such of its successors or assigns as may by separate instrument assume responsibility for assuring compliance by the Borrower with the provisions of this Tax-Exempt Financing Rider, may require immediate payment in full of all sums secured by this Security Instrument if:

(A) All or part of the Property is sold or otherwise transferred (other than by devise, descent or operation of law) by Borrower to a purchaser or other transferee:

(1) Who cannot reasonably be expected to occupy the property as a principal resident within a reasonable time after the sale or transfer, all as provided in Section 143(c) and (i) (2) of the Internal Revenue Code; or

(2) Who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer all as provided in Section 143 (d) and (i) (2) of the Internal Revenue Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143 (d) (1); or

(3) At an acquisition costs which is greater than 90 percent of the average area purchase price (greater than 110 percent for targeted area residences), all as provided in Section 143(e) and (i) (2) of the Internal Revenue Code; or

(4) Who has a gross monthly income in excess of 115 percent of the applicable median income (140 percent of the applicable median family income for a purchaser or transferee of a residence in a targeted area), except that 100 percent and 120 percent shall be substituted for 115 percent and 140 percent, respectively, if the purchaser or other transferee has a family of fewer than three (3) individuals, all as provided in Sections 143 (f) and (i) (2) of the Internal Revenue Code; or

(B) Borrower fails to occupy the property described in the Security Instrument without prior written consent of Lender or its successors or assigns described at the beginning of this Tax-Exempt Financing Rider; or

(C) Borrower omits or misrepresents a fact that is material with respect to the provisions of Section 143 of the Internal Revenue Code in an application for the loan secured by this Security Instrument.

References are to the Internal Revenue Code of 1986 as in effect of the date of execution of the Security Instrument and are deemed to include the implementing regulations.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions in this Tax-Exempt Financing Rider.

David R. Jones, III
 Witness

Mary L. Hess
 Borrower

Co-Borrower

Sworn and subscribed before me this 10th day of November, 1997

Marilyn F. Crelch
 Notary Public

(Seal)

MY COMMISSION EXPIRES SEPT. 7, 1999

My Commission Expires

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